



Millennium Challenge Corporation

Reducing Poverty Through Growth

CONGRESSIONAL NOTIFICATION TRANSMITTAL SHEET

On December 16, 2005 we notified Congress of our intent to obligate up to \$235,650,000 of FY 2005 Millennium Challenge Account (“MCA”) funds pursuant to a Compact between the Millennium Challenge Corporation (“MCC”) and the Government of the Republic of Armenia (the “GoAM”). The Compact is expected to be signed on March 27, 2006. In order to accelerate implementation of the Compact, we wish to inform Congress of our intent to obligate up to \$500,000 of the total Compact amount at the time of signing of the Compact pursuant to the authority of Section 609(g) of the Millennium Challenge Act of 2003 (the “Act”). The 609(g) funding will be used by the GoAM to pay for salaries and administrative costs associated with the establishment of the entity that will implement the MCA Program in Armenia and the achievement of entry into force and initial disbursement under the Compact. We expect that most of the Compact Implementation Funding will be used during the first few months after Compact signing. However, in the case some funds are not utilized in that initial period, the Compact includes language that will enable the continued use of those funds for up to five years after the signing of the Compact. The remaining \$235,150,000 of the total Compact amount will be disbursed in tranches over the course of the Compact’s term after entry into force and upon satisfaction or waiver of relevant conditions precedent.

The attached notification is being sent to the Congress on March 13, 2006. Allocation and obligation of funds may be incurred on or after fifteen days from the date of this notification.

Sincerely,

Frances C. McNaught
Vice President
Congressional and Public Affairs

Enclosure:
As stated